

STATE OF VERMONT
PUBLIC SERVICE BOARD

Docket No. 7594

Petition of Addison Solar Farm, LLC, for a Certificate of)
Public Good, pursuant to 30 V.S.A. Section 248,)
authorizing the installation and operation of a solar electric)
generation facility in Ferrisburgh, Vermont)

Order entered: 10/20/2010

ORDER RE DECOMMISSIONING PLAN

On August 3, 2010, Addison Solar Farm, LLC ("ASF") was granted a Certificate of Public Good ("CPG") under 30 V.S.A. § 248 authorizing the installation and operation of a 1.047 MW solar electric generation facility in Ferrisburgh, Vermont.

On October 5, 2010, as required by Condition 8 of the CPG, ASF filed a decommissioning plan for the proposed project. The plan estimates that project decommissioning would take approximately 28 days, and would cost approximately \$36,460 (including labor, equipment rental, and site restoration). ASF proposes the decommissioning fund to be established through an escrow account at a financial institution overseen by a third-party escrow agent. Under the plan, the Vermont Public Service Board ("Board") would be named as beneficiary of the decommissioning fund. ASF also proposes that the amount of the decommissioning fund be adjusted every five years to account for inflation.¹

On October 7, 2010, the Board approved the requested transfer of the August 3 CPG to Ferrisburgh Solar Farm Operating LLC ("FSFO").

On October 13, 2010, the Department of Public Service ("Department") filed a letter supporting ASF's proposed decommissioning plan and requested that the plan include a requirement that ASF report to the Board and the Department on the status of the decommissioning fund after each adjustment for inflation.

1. ASF did not propose an index for the inflation adjustment.

On October 15, 2010, FSFO filed a letter stating that it agrees with the Department's proposal and requested the Board approve the decommissioning plan with the reporting requirement.

We conclude that the decommissioning plan submitted by ASF on October 5, 2010, with the additional requirements identified below, satisfies the requirements for the plan set forth in Condition 8 of the August 3, 2010, CPG. Consistent with previous Board requirements, we require that the escrow account be established with an A-rated financial institution.² Given that inflation can vary significantly from year to year, we require that the decommissioning fund be adjusted annually, rather than the proposed five-year interval. In addition, since ASF did not provide a proposal, we require that the current annual Consumer Price Index as determined by the Bureau of Labor Statistics be used for the inflation adjustment.³ We adopt the Department's proposal for a reporting requirement and require annual reports to the Board and the Department on the status of the decommissioning fund after each adjustment for inflation.

We therefore approve the decommissioning plan with the additional requirements identified above. While ASF filed the proposed decommissioning plan on October 5, 2010, the CPG was transferred to FSFO on October 7, 2010. Thus the obligation for a decommissioning plan now resides with FSFO. FSFO shall file with the Board, within 10 days of the date of this Order, a revised decommissioning plan that includes the additional requirements discussed above.

SO ORDERED.

2. See Docket 7508, *Georgia Mountain*, Order of 6/11/10 at 84-85.

3. We require that the decommissioning fund only be adjusted upward for inflation, and in the event of negative annual Consumer Price Index, the fund remain unadjusted.

DATED at Montpelier, Vermont, this 20th day of October, 2010.

<u>s/ James Volz</u>)	
)	PUBLIC SERVICE
)	
<u>s/ David C. Coen</u>)	BOARD
)	
)	OF VERMONT
<u>s/ John D. Burke</u>)	

OFFICE OF THE CLERK

Filed: October 20, 2010

Attest: s/ Judith C. Whitney
Deputy Clerk of the Board

NOTICE TO READERS: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Board (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: psb.clerk@state.vt.us)